IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

MONDAY, THE TWENTIETH DAY OF SEPTEMBER

TWO THOUSAND AND FOUR

PRESENT

**THE HON'BLE MR JUSTICE J.CHELAMESWAR**

**And**
**THE HON'BLE MR JUSTICE GODA RAGHURAM**

**W.A.No.692 OF 1999, W.P.No.18697 OF 1999 & W.P.No.21028 OF 2000**

**WRIT APPEAL NO : 692 of 1999**

(Writ Appeal under Clause 15 of the Letters Patent against the Order dated 17-03-1999 in W.P.No: 10389 of 1994 on the file of the High Court.)

Between:

Brooke Bond India Limited,

Represented by its Managing Director,

Brooke Fields, Marathahalli,

Bangalore – 560 037.

**..... APPELLANT**

AND

V.S. Narayana, S/o. V. Rama Murthy,

R/o. RTC X Roads, Hyderabad.

**.....RESPONDENT**

**Counsel for the Appellant: MR.LEO RAJ**
**Counsel for the Respondent: MR.M.V.SURESH**

**WRIT PETITION No. 18697 of 1999**

Between:

1. K. Yadagiri, S/o. Narayana,

R/o. 8-3-231/A/86, Sri Krishna Nagar,

Yousufguda, Hyderabad.

2. Enkaiah, S/o. Narayana,

Ex.Dkt.No.397, R/o.11-82, Ghanapuram,

Annojigudam Post, Via., Ghatkesar,

R.R. District.

3. G. Rama Dharma Reddy, S/o. Gopal Reddy,

Ex.DKT No.622, R/o.H.No.2-94, Sainagar

Colony, Chaithanyapuri, Dilsukhnagar, Hyderabad.

4. Laxma Reddy, S/o.Narayan Reddy,

Ex.DKT No.607, H.No.6-114, main Road,

Ghatkesar PO, R.R. District.

5. Jagannatham, S/o. Mallaiah,

Ex.DKT.No.35, R/o.11-36, Ghanapuram,

Annojigudam Post, R.R. District.

6. G. Narasimha, S/o. Anthaiah, Ex.DKT.No.577,

H.No.1-5, Aushapur, Ankshapur PO,

Via Ghatkesar, R.R. District.

7. G. Ramachandran, S/o. Govindarajulu,

Ex.DKT.No.601, R/o.9-38, Main Road,

Ghatkesar, R.R. Distirct.

8. M. Krishnamoorthy, S/o. Muthukrishnan,

Ex.DKT No.627, R/o.15-18/1, Venkatraopet,

Lothukunta, Trimulghery Post, Secunderabad.

9. Bikchapathy, S/o. Narasimha, Ex.DKT No.22,

R/o.H.No.7-182, Behind Church,

Ghatkesar, RR District.

10. K. Rama Reddy, S/o. Laxma Reddy,

Ex.DKT No.599, R/o.H.No.6-115,

Main Road, Ghatkesar, R.R. District.

11. T. Bhaskar, S/o. Venkatswamy,

Ex.DKT No.259, R/o.H.No.6-87,

Ghatkesar, R.R. District.

12. Rajaiah, S/o. Laxmaiah,

Ex.DKT No.381, R/o.H.No.7-113,

Railway Station Road, Ghatkesar, R.R. District.

13. Latchaiah, S/o. Butchaiah, Ex.DKT No.521,

H.No.11-1, Ghanapuram, Annojigudam Post,

Via Ghatkesar, R.R. District.

14. N. Krishna Murthy, S/o. Raja Rao,

Ex DKT No.255, H.No.8-161 (SRT-15)

Ghatkesar, R.R. District.

15. Yadaiah, S/o. Anjaiah, Ex. DKT No.94,

H.No.11-80, Ghanapuram, Annojigudem Post,

Via., Ghatkesar, R.R. District.

16. Abdul Azia, S/o. Mehboob Ali Khan, Ex.DKT No.261,

H.No.7-156, Station Road, Ghatkesar, R.R. District.

17. Shankara Murthy, S/o. Suryanarayana,

Ex.DKT No.5, H.No.8-176, Ghatkesar, R.R. District.

18. G. Balasundaram, S/o. Prakasam, Ex. DKT.No.275,

H.No.7-54, Main Road, Ghatkesar, R.R. District.

19. J. Krishna Moorthy, S/o. Venkateswarlu,

Ex.DKT No.630, H.No.6-1-133/29, Brooke Bond

Colony, Padmarao Nagar, Secunderabad.

20. C.N.R. Naidu, S/o. Chennama Raju,

Ex. DKT No.553, H.No.11-4-336/2, Opp: Church,

Chilkalguda, Secunderabad.

21. A.V.Jagannadha Rao, S/o. Subbarao,

R/o.C/o.Dr.S.L. Narayana Rao, G-2,

Seshasai Apartments, Vani Nagar Road No.2,

Malkajgiri, Hyderabad.

22. S.L.Narayana Rao, S/o. Venkateshwara Rao,

R/o.G2, Seshasai Apartments, Vani Nagar Road No.2,

Malkajgiri, Hyderabad.

23. P.M. Sastry, S/o. Ramakotaiah,

R/o.6-1-133/22, Brooke Bond Colony,

Padmarao Nagar, Secunderabad.

24. Ch. V. Subbaiah, S/o. Venkatappaiah,

R/o.12-11-1519/1, Boudhanagar,

Warasiguda, Boudhanagar, Secunderabad.

25. K. Venkataramana, S/o. Late Krishna Sastry,

R/o.Srivdya, 12-11-1429, Boudhanagar,

Warasiguda, Secunderabad.

26. L.V.S. Sarma, S/o. L.B.K.Rao,

R/o.6-1-133/27, Brooke Bond Colony,

Padmarao Nagar, Secunderabad.

27. M. Amaralingeswara Rao, S/o.Veeraiah,

R/o.Flat No.301, Amar Apartments,

Bhagyanagar Colony, Kukatpally, Hyderabad.

28. R.V.S.P. Sarma, S/o. Kameshwari,

R/o. 6-1-133/24, Brooke Bond Colony,

Padmarao Nagar, Secunderabad.

29. K.V. Ramanaiah, S/o. Somayajuju,

R/o.2-3-138, (268A) Ramagopalpet,

Secunderabad.

30. Motilokumal Girglani, S/o.Late Lokumal Rewachand,

R/o. 3-6-20, Himayat Nagar, Tirumala Apartments,

Flat No.401-405, 4$^{th}$ floor, Hyderabad.

31. Syed. Imam Ali, S/o Syed Waheed Ali,

7-86, Ghatkesar, R.R. District.

32. Jangaiah Chittaiah, S/o. Chittaiah,

R/o.H.No.7-278, Shivareddygudem,

Ghatkesar, R.R. District.

33. Peter, S/o. Ellaiah, R/o.H.No.3-49,

Kondapur (V), Ghatkesar Post, R.R. District.

34. Mallaiah, S/o. Enkaiah, R/o.3-44.

Kondapur (V), Ghatkesar Post, R.R. District.

35. Narayana, S/o. Antaiah, R/o.2-33,

Rampally (V) Ghatkesar, R.R. District.

36. Danaiah, S/o. Narsaiah, R/o.10-8,

Ghatkesar, R.R. District.

37. R.S.Mani, S/o. Rajagopal, H.No.6-1-172/22,

Sri Venkateshwara Nagar, Chilkalaguda,

Secunderabad.

38. E.V. Krishna Murthy, S/o. Venkaiah,

H.No.6-3-609/1117/1, Anandnagar Colony,

Khairathabad, Hyderabad.

39. P.M. Bongale, S/o. Mahadev Rao,

Flat No.2, Renuka Apartment, 2-2-1148,

New Nallakunta, Hyderabad.

40. Vanka Subbarao, S/o. Suryanarayana,

R/o.78/2 RT, Sanjeevareddy Nagar,

Hyderabad.

41. Ch. Sambhashiva Rao, S/o. late Satyanarayana,

R/o. 16-48/A, Prashantinagar, Upal,

Hyderabad.

42. V. Krishna Swamy, S/o. Venkoba Rao,

R/o. Suraj Kunj 55, Chendulal Bouli,

Sikh Village, Secunderabad.

**……..PETITIONERS**

**AND**

Brooke Bond India Limited, rep., by its

Managing Director, Brooke Fields,

Marathahalli, Bangalore.

…….. RESPONDENT

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue a writ of Mandamus or any other appropriate writ or order or direction declaring the action of the respondent in not giving and extending the pensionary benefits as per the upward revisions made subsequent to the year 1995 including the arrears from the respective dates of increase in pension and for giving present pension payable as per results as illegal and unconstitutional and for a consequential order directing the respondent to give the pensionary benefits as per the upward revisions made periodically from time to time including the future revisions and also to pay the arrears from the respective date of increase in the pensions up to date and continue to pay the revised pensions as per the present rates and also the future increments, else, we suffer serious loss.

Counsel for the petitioners: MR. M.V. SURESH

Counsel for the respondent: MR.LEO RAJ

**WRIT PETITION NO : 21028 of 2000**

Between:

1. K. Lingaiah DKT No.44, S/o. Yenkaiah.
2. Lalu Kishan DKT No.135, S/o. Kishan.

3. M. Pentaiah DKT No.107, S/o. Isthari.

4. K. Narsimha DKT No.126, S/o. Mallaiah.

5. Mohd. Khan DKT No.196, S/o. Kareem.

6. Mohd. Yakub Ali DKT No.81, S/o. Fakheer Ahmed.

7. Iqbal Hussain DKT No.93, S/o. Ahmed Hussain.

8. Venkataswamy DKT No.16, S/o. Veeraswamy.

9. Arjun Raoji DKT No.16, S/o. Ravuji.

10. Janimiya DKT No.219, S/o. Nafamuddin.

11. Dhan Bhadur Pradu DKT No.209, S/o. Damber Singh.

12. Chanda Saheb DKT No.200, S/o. Shaik Dhada Sabed.

13. G. Balaiah DKT No.122, S/o. Mallaiah.

14. D. Nagaiah DKT No.195, S/o. Sathaiah.

15. Janimiya DKT No.23, S/o. Abdul Kareem.

16. Shankar DKT No.51, S/o. Shivaram.

17. Bidiga Balaiah DKT No.7, S/o. Mallaiah.

18. Lamba Komaraiah DKT No.20, S/o. Lingaiah.

19. Paul Anthony DKT No.34, S/o. John Anthony.

20. Mahaboob Khan DKT No.43, S/o. Kareem Khan.

(Petitioners 1 to 20 are R/o.Ghatkesar (V) & (M), R.R. District).

21. Ramulu DKT No.15, S/o. Kistaiah, R/o. Ghanpur (V), Ghatkesar (M).

22. C. Yadaiah DKT No.164, S/o. Veeraiah, R/o.3-52, Annaojiguda.

23. Bavani Gandaiah DKT No.270, S/o. Shankaraiah, R/o.1-28, Korremulla.

24. B. Sailoo DKT No.142, S/o. Narsimha, R/o.1-2-60/2, Uppal.

25. Nanavath Pullaiah DKT No.149, S/o. Gopal, R/o. Annajjiguda.

26. D. Shankaraiah DKT No.171, S/o. Sayyanna, R/o. Venkatapuram.

27. B. Anjaiah DKT No.170, S/o. Ayanna, R/o.2-289, Ankushapur.

28. Ramulu DKT No.70, S/o. Sayyanna, R/o. Kundanpally.

29. Eruka Sathamma DKT No.301, W/o.Late Binapathaiah, R/o.1-201, Annaojiguda.

30. D. Sathamma DKT No.43, W/o. Sathaiah, R/o.2-38, Annaojiguda.

31. M. Narsamma DKT No.311, W/o.Narsimha,

(Petitioners 22 to 31 are R/o. Ghatkesar(M) R.R. District).

32. Yashoda DKT No.264, W/o. Late Balaiah.

33. Suguna DKT No.89, W/o. Veerasham.

34. Sukkamma DKT No.57, W/o.late Balnarasimha.

35. Anasuya DKT No.190, W/o. Yadagiri.

36. Zabunnisa Begum, W/o. Late Khaja Moinuddin.

37. Yellamma DKT No.308, W/o.Late Mallesh.

(Petitioners 32 to 37 are R/o.Ghatkesar (V) & (m), R.R. District).

**..... PETITIONERS**

AND

Brooke Bond India Limited, rep., by its

Managing Director, Brooke Fields

Marathahalli, Bangalore-500 037.

**.....RESPONDENT**

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue a writ of Mandamus or any other appropriate writ or order or direction declaring the action of the respondent in not conferring and refusing revised pensionary benefits which came into effect from 1-1-1986, 1-1-1990 and 1-1-1994 to the petitioners who retired from service prior to 1986 and conferring the benefits only to employees who retired on or after revised pensions came into effect as illegal, arbitrary, violative of Arts.14 and 21 of the Constitution of India and to direct the respondent company to grant revised pensionary benefits to the petitioners as per the revised pensionary benefits which came into effect from 1-1-1986, 1-1-1990 and 1-1-1994 and to pay all arrears of pension from the date of retirement of petitioners.

**Counsel for the Petitioner: MR.S.KRISHNA**

**Counsel for the Respondent No.: MR.LEO RAJ**

**The Court made the following:**

**W.A.No.692 OF 1999, W.P.No.18697 OF 1999 & W.P.No.21028 OF 2000**

**ORAL COMMON ORDER:** (Per Hon'ble Sri Justice Goda Raghuram)

The short and succinct question as to the maintainability of the Writ Petitions and the validity of the order dated 17-3-1999 in W.P.No.10389 of 1994 appealed in Writ Appeal No.692 of 1999, falls for consideration in all these matters.

Writ Appeal No.692 of 1999 is filed by the Brooke Bond India Limited - the respondent in W.P.No.10389 of 1994. W.P.No.10389 of 1994 and the other two writ petitions have been filed by retired employees of the Brooke Bond India Limited, a public limited company (for short 'the company'), in substance, seeking a declaration that the action of the company in not conferring and refusing pensionary benefits to retired employees, who retired from service prior to 1986 and confining the benefits only to employees belonging to non-executive classes as per the Revised Pensionary Benefits dated 1-4-1991, as illegal, null and void and for a consequential direction to the company to give them pensionary benefits in the same manner as is being given to employees who retired in 1992 and to give proportionate benefits to non-executive employees as per the Revised Pensionary Benefits dated 1-4-1991 including arrears from the date each of the pensioners retired from service.

The company appears to have introduced a pension scheme in 1979. The petitioners opted for the same and their pension was fixed accordingly. The pension scheme was revised subsequently, but the revised benefits were not extended to the several writ petitioners who had retired prior to the revision and for whom the pensionary benefits were continued on the same terms as per the earlier scheme under which they were initially granted pension. The writ petitions were filed, in the above circumstances, claiming parity of treatment with pensioners who had

subsequently retired and were given the benefit of revised pension under the Revised Pension Scheme.

In W.P.No.10389 of 1994, the learned Single Judge considered the grievance of the sole writ petitioner therein as per Article 14 of the Constitution of India and in the light of the principles declared in **D.S. NAKARA v UNION OF INDIA** and **KASTHURI v MANAGING DIRECTOR, STATE BANK OF INDIA, BOMBAY** and proceeded on the assumption that the company was found to comply with the obligated injunctions under Article 14 of the Constitution of India, declared the conduct of the company in not granting the petitioner the revised pensionary benefits as arbitrary, in violation of Article 14 of the Constitution of India and consequently allowed the writ petition. W.A.No.692 of 1999 is directed against the said judgment, The other two writ petitions have been filed by other retired employees of the company on the basis of the judgment of the learned Single Judge.

It is neither pleaded, urged nor demonstrated in any of the writ petitions including, W.P.No.10389 of 1994 that the company is an agency or instrumentality of the State within the meaning of the Article 12 of the Constitution of India. No factual particulars regarding the origin, composition, structure, or that the extent of control over the affairs of the company by the State is deep, pervasive and substantial, have either been pleaded or established before this Court. There is no warrant for the assumption that the company is an agency or instrumentality of the State within the meaning of Article 12 of the Constitution of India. The rights guaranteed to citizens and persons under Part III of the Constitution of India are rights which often create corollary obligation on the State such as the right to equality of treatment. The right to equal treatment conferred by Article 14 of the Constitution of India on a person, is a corollary obligation on the State to so conduct itself as not to deny equal treatment. The constitutional duty to provide equal treatment is not an injunction against every person, unless such person natural or juristic qualifies to be characterized as a State within the meaning of the Article 12 of the Constitution. It has not been demonstrated before this Court that the company – the Brooke Bond India Limited is an agency or instrumentality of the State. It is axiomatic that no duty under Article 14 is owed by the said company. If no such obligation under Article 14 is owed, it is clear that the principles enunciated in D.S.NAKARA's case
(1 supra) are not obligated on the said company. None of the writ petitioners plead any legal obligation by the company under any statute or a statutory instrument, by

which they are entitled to revision of pensionary benefits as and when they are revised by the company for a class of pensioners.

In the circumstances, the reliefs, in specie, claimed by the writ petitioners cannot be mandamised by this Court under Article 226 of the Constitution of India.

The company had resisted the reliefs claimed in W.P.No.10389 of 1994 contending that the writ petition is not maintainable. The learned Single Judge has, however, relying on the decision of the Supreme Court in **U.P. STATE COOPERATIVE LAND DEVELOPMENT BANK LIMITED v CHANDRA BHAN DUBEY** held that a writ petition is maintainable. For coming to this conclusion, the following observation in Chandra Bhanu Dubey case (2 Supra) was quoted by the learned Single Judge as:

> "When any citizen or person is wronged, the High Court will step into protect him, be that wrong be done by the State, an instrumentality of the State, Company or a Cooperative Society or association or body of individuals, whether incorporated or not or even an individual. Right that is infringed may be under Part III of the Constitution or any other right, which the law validly made might confer upon him".

It requires to be noted that **Chandra Bhan Dubey's** case fell for analysis in a subsequent decision of the Supreme Court in **FEDERAL BANK LIMITED v SAGAR THOMAS** and the decision in **Chandra Bhan Dubey** was analyzed and explained as under:

> "U.P. State Cooperative Land Development Bank Limited has been relied upon by the Division Bench while passing the impugned order dismissing the appeal. We may examine the position as involved in that case in some detail. It is registered as a cooperative society under the provisions of the U.P. Cooperative Societies Act. While holding it to be an instrumentality of the State, the Court took note of the fact that though registered as a cooperative society, it was constituted under the provisions of the U.P. Cooperative Land Development Bank Act, 1964. The Managing Director and the Chief General Manager of the Bank are officials of the State, who are at the helm of the affairs of the Bank. The service rules for the employees and officers of the Bank were framed by the State Government in exercise of powers under Section 30 of the U.P. Cooperative Land Development Bank Act, 1964. The rules are called the U.P. Cooperative Land Development Bank Rules, 1971, which lay down the conditions of service of the employees. The Institutional Service Boards constituted under Section 122 of the Cooperative Societies Act has also framed service rules according to which dismissal of an

employee can be ordered only after its approval by the Institutional Service Board. U.P. State Cooperative Land Development Bank Limited is the only bank constituted under the provisions of the U.P. Cooperative Land Development Bank Act and there cannot be any other State-level land development bank for the whole of the State. Apart from the fact that the Bank had exclusive jurisdiction over the whole of the State of Uttar Pradesh, the order land development banks could also be made members of U.P. State Cooperative Land Development Bank, in any number, as the Registrar of the Cooperative Societies may deem it necessary. It is further found that the Registrar of the Cooperative Societies, U.P. is the trustee for the purpose of securing the fulfillment of the obligations of State Land Development Bank to the holders of debentures issued by the Board of Directors. The Board of Directors is entitled to issue debentures from time to time with the previous sanction of the State Government and the trustee, against the unconditional guarantee by the State Government for the repayment in full of the principal and interest thereon, or on the security of mortgages, charges or hypothecations etc. The State Government constitutes a Guarantee Fund under Section 9 of the Act for the purpose of meeting losses that might accrue on account of loans advanced by the land development banks. The Guarantee Fund is maintained by the Finance Department of the State Government. On the basis of the facts noted above, the Court took the view that U.P. State Cooperative Land Development Bank Limited though registered as a cooperative society, is an instrumentality of the State and its employees have a statutory protection under the statutory rules."

In the light of the principles reiterated and clarified in FEDERAL BANK LIMITED V SAGAR THOMAS, the Brooke Bond India Limited is not a State or instrumentality of the State or other authority within the meaning of Article 12 of the Constitution of India. No reliefs could be granted to the writ petitioners under Article 226 of Constitution of India. For the reasons alike, the order of the learned Single Judge dated 17-3-1998 in W.P.No.10389 of 1994 cannot be sustained. Accordingly, W.A.No.692 of 1999 is allowed and W.P.No.18697 of 1999 and W.P.No.21028 of 2000 are dismissed.

It is stated by the learned senior counsel, Sri E. Manohar, appearing for the appellant in W.A.No.692 of 1999 that a Division Bench of this Court, while admitting this appeal, by an order dated 9-6-1999 declined stay of the impugned order subject to the condition that the respondent-employee files an undertaking in the Court to the effect that in the event of appellant's success in the appeal, the amount paid would be refunded to the appellant. It is also represented by Sri
E. Manohar that as undertaking had since been filed by the employee, revised

pensionary benefits were granted by the appellant company to him, as directed in judgment under appeal, and in the light of the undertaking filed by the employee.

Having regard to the fact that the respondent-employee, in the appeal, is aged 80 years and it is represented by Sri Manohar that the total enhanced pensionary benefits that were granted to him as a result of the order of the Single Judge, are in the order of Rs.1,00,000/-, we consider it appropriate, while allowing the Writ Appeal, to direct the appellant-company not to recover the amounts already paid to the respondent in the appeal. All further pensionary benefits to this respondent shall however be paid by the appellant-company only as per the entitlement of the respondent-employee in accordance with the scheme under which he had retired and without reference to the judgment of the learned Single Judge dated 17-3-1999 in W.P.No.10389 of 1994.

Subject to the above, the writ appeal is allowed and the writ petitions dismissed. No costs.

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**(J. CHELAMESWAR, J)**

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**(GODA RAGHURAM, J)**

20-09-2004

**es**/kdl

To

1. The Managing Director, Brooke Bond India Limited, Brooke Fields, Marathahalli, Bangalore.

2. 2 CD copies.